

Do Muslim generation cohorts differ in purchase intention? - The case of Islamic financial products

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Abstract

This study aims to examine how and to what extent the purchase intention for various Islamic Financial Products (IFPs) would vary among various generational cohorts depending on their cohort experiences and the nature of different categories of IFPs. The data to examine our hypotheses comes from 954 Muslim consumers from five major metropolitan cities in Bangladesh. We found that significant differences in purchase intention of Islamic deposit and insurance products exist where each succeeding generation has less purchase intention than the previous generation. Considerable evidence exists that Muslims' religiosity impacts their personal and consumption decisions with the idea that their extent of perceived religiosity influences their behavior. Besides the theoretical contributions, our findings have several implications for the managers.

Keywords: *Buying intention, Generation cohort, Islamic deposit products, Insurance products, Credit products, Capital market products.*

Introduction

Through the three decades of its existence, the Islamic finance industry is becoming a competitive alternative to conventional banking around the world (Ali, 2008). The Islamic financial industry has grown from a fringe industry during the 1960s to a mature industry providing a range of banking products and services (Newaz, Raman, & Fam, 2015; Sharma, Newaz, & Fam, 2016). Globally, the Islamic financial services industry assets exceeded the target of USD 2 trillion marks in 2017 with an 8.3% growth in assets in US Dollar terms (IFSB, 2018). Additionally, the Islamic Financial Products industry (IFPs) is becoming popular with the non-Muslim communities as well (Gait & Worthington, 2008; Zaher & Hassan, 2001). For instance, the value of Islamic bonds issued outside the Middle East and Southeast Asia by non-Muslim countries reached \$2.25 billion in 2017, which is higher than 2016's \$2 billion and more than double the \$1 billion of 2015 (Lee, 2017).

Over the past years, Islamic marketing is solidifying its position as 'an independent domain of marketing inquiry' hence, the purchasing behavior associated with Muslim consumers and Islamic products has drawn sears attention from the research community (Kadirov, 2014, Kadirov, 2019). Considering the importance of the industry and nature of products being based in religious tenets, several studies have examined how Muslim religiosity influences their purchase behavior of Islamic financial Products (IFPs) (Amin, Rahman, Sondoh, & Hwa, 2011; Sharma et al., 2016). However, there is still a dearth of research on purchase intention differences among generational cohorts for various categories of IFPs. Different categories of IFPs such as deposit products, credit products, capital market products, and insurance products have been offered in direct competition to the conventional financial products, even in Muslim countries (Mamun, 2011). All these categories of IFPs strictly comply with the Shariah/Islamic law relating to interest-bearing products, non-halal investments, and speculation (Gait & Worthington, 2008; Gait & Worthington, 2009).

As per the generational cohort theory, individuals in different cohorts tend to think and act differently due to their experience during the formative years, respectively (Inglehart, 1997; Rogler, 2002). Individuals of similar age groups who shared identical external events during their late adolescence and early adulthood belong to a common generational cohort (Mannheim, 1952; Ryder, 1965). Such a cohort group tends to be similar in their preferences and desires, and such preferences stay with them during their entire life (Meredith, Schewe, & Karlovich, 2002). On this basis, we posit that the purchase intention for various IFPs would vary among various generational cohorts depending on their cohort experiences and the nature of different categories of IFPs. We compare three generational cohorts, namely baby boomers, Generation X, and millennium generation, for four types of IFPs, namely Islamic deposit, credit, capital market, and insurance products. The data to examine our hypotheses comes from 954 Muslim consumers from five major metropolitan cities (Dhaka, Chittagong, Rajshahi, Khulna, and Sylhet) in Bangladesh.

The key findings suggest that significant generational differences exist for the purchase intention of Islamic deposit and insurance products. For these products, baby boomers are more likely to purchase them than Gen Xers; and Gen Xers are more likely to purchase them than Millennials. In other words, we find that each successive generation has less purchase intention for these products compared to preceding generations. However, a reverse non-significant trend is found for Islamic capital market products implying increasing purchase intention for each successive generation. No significant differences are found for credit market products, though

Gen Xers showed the highest purchase intention, and baby boomers showed the lowest purchase inaction.

We make two key contributions. Firstly, our finding of generational differences in purchase intention of some IFPs (deposit and insurance) and non-significant differences in others (credit and capital market products) enhances our understanding of Muslim consumers' different behavior for different kinds of IFPs. Secondly, our findings demonstrate that the GCT may not be universally applicable, and its applicability also depends on the nature of the outcome, i.e., the religious nature of banking products in this case.

The rest of the paper is organized as follows. The next section reviews the literature, which is followed by a section on hypotheses development. Methods are presented next. The following sections present results. The last section discusses the main findings, implications, limitations, future research questions, and conclusion. This is where your main text is. This is the first paragraph.

Literature Review

Understanding Islamic financial products

Islamic Financial Products (IFPs) are financial products that strictly comply with the Islamic tenets, which prohibit the payment of interest, investing in non-halal industries, and indulging in speculative financial activities (Gait & Worthington, 2008; Gait & Worthington, 2009). The participants in Islamic financial transactions are considered business partners who jointly bear the risks and profits.

IFPs and conventional financial products (CFPs) differ in terms of their objective, and the way investments are targeted (Iqbal, 1997; Khan & Bhatti, 2008). Under Islamic finance, the investment is made in projects with the highest expected profitability, whereas under conventional banking, such investments go to most creditworthy borrowers that may not be the most profitable ones. CFPs are based on interest payments, whereas IFPs work on the principle of sharing profits and losses. Interest payments are not allowed in Islamic finance.

IFPs can be categorized as deposit products, credit products, capital market products, and insurance products. Newaz, Raman, and Fam (2015) provide a detailed discussion on nature and the market for IFPs. Among deposit products, three main IFPs are available: Wadi'ah (current accounts), Mudarbah (saving and time deposit products based on revenue sharing between depositor and bank), and Qard al-Hasanah (unremunerated deposit products mainly for charities). A wide range of credit products is available based on profit sharing and advance purchase. Profit-sharing may be active with a share in the realized profit or loss and an extra amount to pay off principal over a while; or passive with profit-sharing only in a pre-agreed ratio. A range of advance purchase products similar to spot sale contracts and leasing areas also available as IFPs.

Among various capital market products, Sukuk is the most prominent capital market where financing is backed by assets, equity, and asset-based securities (Haider & Azhar, 2010). Equity-based products and stockbroking are also available as IFPs. The last category of IFPs includes the Takaful, which is Islamic insurance with joint risk-sharing. Even though purchasing insurance appears against Shariah, Muslim scholars accept it as a Shariah-

compliant product as it involves shared responsibility and a common interest (Billah & Patel, 2003). Recent studies articulates the gradual increase of takaful as an alternative of commercial insurance in muslim countries (Kadirov, 2020).

Buying intention of IFPs

Consumer behavior refers to the decision making process and physical activity involved in acquiring, evaluating, using, and disposing of goods and services (Bhagat, 2012). The behavior of consumers can be measured by their purchase intention that has been described as their intention to purchase a product or to patronize a service organization (Shao, Baker, & Wagner, 2004), or willingness to buy a particular product or service. Whether or not an individual will perform a given behavior can be confirmed in the most straightforward and possibly most effective way: asking the individual whether he/she intends to perform that behavior (Fishbein & Ajzen, 1975).

Extant research on linking the consumer behaviour of Muslims and their purchase intentions of Islamic and non-Islamic goods and services suggest that Muslims were prepared to purchase Islamic goods and services if the marketers could highlight that the goods and services were Shariah compliance (Choudhury, 1986; Khan, 1995; Naqvi, 2003). Despite their willingness to purchase, there is still doubt amongst the broader Muslim community as to what constitutes an IFP. Islamic finance still faces obstacles in its development and a lack of standard interpretations for each category of IFP (El-Gamal, 2006; Sadiq & Black, 2012), which may affect whether customers choose to buy a particular product or not.

Culture has a considerable influence on people's values, habits, and attitudes, and this has played a role in influencing people's lifestyles, which in turn affects their buying decision behavior (Hirshmann, 1981). It either encourages or restrains a particular choice behavior (Delener, 1994). Religion, as one of the components of culture, guides people's social and economic behavior. However, there was little research information on the Islamic consumer behaviors from different generations on their intention to purchase IFPs (Delener, 1994; Dusuki & Abdullah, 2007; Lindridge, 2005; Mokhlis, 2006).

Gait and Worthington (2008) claim that Islamic financial products and services have been directly competing with the products and services of the conventional bank in most of the Muslim countries. Different categories of IFPs such as deposit, credit, capital market, and insurance have been offered in direct competition to the financial products and services offered by the conventional financial institutions, even in Muslim dominated countries (Mamun, 2011). In order to promote the IFPs in the current financial market, the target consumers' attitude, perception, and knowledge towards these new methods of financing system need further examination.

Generational cohort concept and theory

Generational cohort theory has underlined significant intergenerational variances in values and attitudes among different generations (Lu & Alon, 2004; Yardley, 2003). Consumption-related attitudes may also differ among different generational cohorts (Loroz, 2006; Loroz & Helgeson, 2013). A Generational cohort is defined as a group of people who were born during the same period and experience similar external events, which are described as 'defining moments,' during their late adolescence and early adulthood (Mannheim, 1952). Ryder (1965)

also describes generational cohorts as individuals who are born around the same time and share social or historical events during critical developmental periods. Individuals in the same generation tend to think and act differently from those born in other periods (Gursoy, Maier, & Chi, 2008). Mannheim (1952), in his Generational cohort theory, argued that generational cohort is not determined by biological choice, but by historical events. There are direct and indirect factors that can influence generational cohorts, both at macro-level socialization such as external events (historical, political, and social) and micro-level socialization (e.g., religion).

External events are essential elements to identify and segment generational cohorts. According to Mannheim (1952), individuals' values and behavior will be formed based on historical events that they experience during their coming-of-age. Ryder (1965) claims the individuals' attitudes, beliefs, and external events define behaviors. Kritz and Arsenaault (2006) believe that external events experienced by individuals will shape their mindsets and provide the actual value of a generational cohort. External events can occur at international, national, and local levels, such as historical events, political ideologies, social upheavals, economic changes, and technological innovations (Mannheim, 1952; Noble & Schewe, 2003; Ryder, 1965; Schuman & Scott, 1989).

Meredith, Schewe, and Karlovich (2002, p. 13) pointed out that external events can create homogeneity in a generational cohort. They further argue that these events are inclined to influence generational cohort preferences, desires, attitudes, and buying behavior, and these elements remain for their entire lives. Schuman and Scott (1989) asserted that individuals often remember events that occurred during their coming of age, and these events often influence them. They indicated that individuals born in the same period tend to have common memories. As a result, these memories and experiences from the external events unite individuals in the same cohort.

According to some researchers (Noble & Schewe, 2003; Rindfleisch, 1994), micro-level socialization (family, peers, religion, media, and ethnic groups) is seen as a possible agent of effect on the generational cohort. Schewe and Noble (2000) emphasize that micro-level socialization be taken into consideration in determining each cohort's effect. According to the generational cohort theory, the individuals' values and attitudes were formed between late adolescence and early adulthood. This coming of age period (between 17 and 23 years old) was considered by Meredith and Schewe (1994) as the most crucial time because during this is the period the individuals will develop their personal views, and these views will remain throughout their life. Meredith et al. (2002, p. 6) argue that the coming of age period is a period where consumers "*likely fell in love for the first time, became economic beings, developed their value systems, explored new ideas, and essentially became adults.*" Additionally, these researchers claim that the values formed during the coming of age are tremendously powerful because these values will remain with them for the rest of their lifetime. Hence, marketers must identify generational cohorts' defining moments before they decide to implement marketing activities or strategies (Parment, 2013).

Generational cohorts as consumers

A Generational cohort was a group of consumers who experiences a similar socialization period and external events (e.g., social, economic, politic, etc.) when they were young adults, and these events affect their attitude, behavior, characteristics, and values (Meredith & Schewe, 1994; Petroulas, Brown, & Sundin, 2010; Schewe & Noble, 2000). Each cohort member shares similar characteristics but has different values, attitudes, and beliefs, and these were formed based on their experiences during their coming of age (Noble & Schewe, 2003).

Two assumptions grounded generational cohort theory (Inglehart, 1977; Inglehart, 1997): a socialization hypothesis and a scarcity hypothesis. The socialization hypothesis suggests that adults' basic values reflect the socioeconomic conditions of childhood and adolescence, and these values remain relatively stable despite the change in societal conditions (Egri & Ralston, 2004). For the scarcity hypothesis, the cohort that experienced socioeconomic resources in short supply during their youth tended to value those resources most (Schewe & Meredith, 2004; Ting, de Run, & Fam, 2012). As a result, generations who are growing up during periods of socioeconomic insecurity (e.g., social upheaval) learn survival values (e.g., economic determinism, rationality). Conversely, generations growing up during periods of socioeconomic security learn postmodernist values (Inglehart, 1977; Inglehart, 1997).

Generation cohorts differ from country to country because of the differences in their life experiences and have differential value orientations and consumption behaviors, even though they are in similar life cycle stages (Hung, Gu, & Yim, 2007). Inglehart's work has been further extended by Rogler (2002) and highlights that disastrous historical events impose a stronger, longer-lasting value imprint on the coming-of-age group than on other age groups who live through the same historical period. Besides, reactions to these events will combine into stable orientations if the effects of the events are directed towards the young adult's experiences (Ting et al., 2012). Therefore, the lifelong persistence of these orientations delineates past generations.

Research shows that different generation cohorts have dissimilar liking for beverages, motion pictures, automobiles, formal and informal attire, and travel (see Arsenault & Patrick, 2008 for a review). However, how Muslim generation cohorts differ in terms of their purchase intention of various types of IFPs is not well understood. It is interesting to understand these differences to explore opportunities for marketers to engage in target marketing for various IFPs.

Hypotheses Development

According to the generational cohort theory, significant intergenerational differences have been documented among different cohorts (Lu & Alon, 2004; Yardley, 2003). A nation's historical events reveal the dissimilarities in values and attitudes among its generational cohorts (Conger, 1997; Rogler, 2002).

The religiosity of different generational cohorts and their consumption-related attitude may also differ and can be identified as religious consumers as a cluster (Loroz, 2006). The older and middle generations are more religious than the younger generation, even though a large number of people in all generations claimed themselves as religious (Markides & Cole, 1984). A secularisation hypothesis argues that economic growth, industrialization, increased literacy, and decreasing fertility reduce religiosity (Akdede & Hotunluoğlu, 2008). Thus, based on the secularisation theory and characteristics of each generational cohort, the Baby Boomers are more conservative than the other two cohorts (Mitchell, 2003), and emphasise traditional and religious ethics, as well as place importance on loyalty and commitment (Billings & Kowalski, 2004; Johnson & Romanello, 2005). Compared with Millennium, GenX individuals consider themselves to be conservative, but Millennium is more open to change than the other two cohorts (Mitchell, 2003).

In the context of the study, which is Muslim consumers in Bangladesh, the baby boomers belong to the pre-independence period, which has seen economic hardships. Gen Xers saw

economic ups and downs, and Millennium has grown up in a democratic environment with the rising economic development of the country. Thus, in line with the generational cohort theory, we can expect generational differences in the purchase intention of all categories IFPs. A recent study found the moderating effects of generational cohorts on the impact of religiosity on the buying behavior of Islamic financial products (Sharma, Newaz, & Fam, 2016). Thus, we hypothesize that:

H1: The purchase intention of all categories of IFPs would be significantly different across generation cohorts in Bangladesh.

Consumption-related values, their ties to religiosity, and preferences for purchasing different products among different generational cohorts provide a complete range of religious consumers in each cohort as a market segment (Loroz, 2006). Baby Boomers cohort, the older generation of Bangladesh, has gone through significant violent events and economic suffering during their lives. They were deprived mainly of basic needs, but sacrifice for the common good was widely accepted among these cohort members (Khan, 2010). Their experiences of living on the poverty line, insecure about their lives and shelter needs, and deprived of primary health care, education and other needs made them give priority to ensuring their basic needs were met, and value safety and security. Moreover, early life experiences shape the saving, safety assurance, and risk aversion characteristics of these cohort members (Schewe & Noble, 2000). Therefore, these Baby Boomers' traits steer them to a preference for deposit products that save for long-term needs and insurance products that keep them safe from probable losses. Thus, we hypothesize that:

H2a: Baby Boomers has higher purchase intention for Islamic deposit and insurance products than GenX and Millennium.

H2b: GenXs has higher purchase intention for Islamic deposit and insurance products than Millennium.

Millennium cohort raised during a relatively stable period of social and economic development (Wang & Wu, 2002). Given that their formative years were spent in an era of accelerated economic growth and reduction in poverty, Millennials enjoyed more educational and personal development opportunities and have been well-exposed to Western popular culture through their experience with foreign music, movies, television shows, magazines, internet, and other media programs. The members of this cohort group have a keen interest in self-indulgence and personal entertainment and tend to hold materialistic values (Dou, Wang, & Zhou, 2006). They are individualistic and willing to try new things. With the rapid transformation taking place in the economy, along with increased income and consumers' habits, the behavioral patterns and tendencies of consumers have also changed for the betterment of life (Kaynak, Kucukemiroglu, & Hyder, 2000; Rahman, 2009). Due to the growing economy of Bangladesh today, Millennium's desire for a diversion to relieve their stress and to enjoy themselves may be heightened. They tend to earn favorable income, as well as to obtain consumer credit to buy products such as cell phones, laptops, cars, etc. in order to maintain their lifestyle activities (Rahman, 2009). People in this generation feel less need for protection and savings products. Thus, we hypothesize that:

H3a: The Millennium has higher purchase intention for Islamic credit and capital market products than the GenX and Baby Boomers.

H3b: GenX has a higher purchase intention for Islamic credit and capital market products than the Baby Boomers.

To test the proposed hypotheses, we controlled for respondents' marital status, education, and employment. Hu (2012) claims that married people are like to be more religious and more conservative. Married people are often in better health, have higher household income, wealth, and ability to secure better insurance (Carr & Springer, 2010; Teachman, 2010). Additionally, modernization theory suggests that religiosity will decrease as people become more educated (Becker & Vink, 1994). So it can be said that higher education has a negative influence on religiosity, but this view is not accepted by all previous studies (Albrecht & Heaton, 1984). One does not reject religion as a higher level of educational attainment, instead of one may try to find out more logical pursuits as a consequence of already having rejected one's religious faith. Occupation is also often linked to consumer behavior. The more educated tended to have a better occupation and therefore are more likely to discern what is good or bad for them. Generally, the educated are in better employment and have a higher income. Hence, they are more willing and able to put aside some income for investment. In terms of Gender, all the respondents are male respondents.

Research Method

Research context

Bangladesh is a Muslim majority country with over 150 million inhabitants. Most of the Muslims adhere to the Sunni version of the Islamic faith. IFPs were introduced to Bangladesh more than two decades ago. The high level of acceptance of these Shariah-compliant IFPs is becoming a focal market by international financial institutions. Continuing economic growth will also benefit the Islamic financial institutions as the consumers are likely to increase their savings. According to several researchers (e.g., Masry et al., 2015; New Horizon, 2009), Bangladesh's Islamic financial institutions are fast-growing their assets, financing, deposits, and market share. It has a growing middle-income consumer and a dynamic microfinance sector and strong support from government regulators (Ethica, 2012). With three times the population of the Gulf Cooperative Council (GCC), Bangladesh is likely to be a significant force to challenge the GCC's 40% market share of IFPs. Seven private commercial banks in Bangladesh are operating as a fully-fledged Islamic bank besides 16 conventional banks that operate an Islamic banking window.

Data

The data for the study was collected in 2012, from five major metropolitan cities in Bangladesh, including Dhaka, Chittagong, Rajshahi, Khulna, and Sylhet using pencil and paper questionnaire survey. Metropolitan cities were selected due to them being the choice of the banking industry to locate their banks, and also convenience for the urban customers and businesses to use their services. The participants were all above 18 years with equal representation of gender and adhered to the Islamic faith. A stratified sampling method was used to ensure the study has an equal number of respondents representing each generational cohort. The respondents were recruited from leading public universities, business organizations, and the association of retired employees located in the five metropolitan cities. One of the researchers used her contacts and social networks to distribute and collect responses from the target respondents. The study has a useable response rate of 70%, and this is basically due to the researcher personally contacting the respondents to obtain their feedback via the questionnaire. This response rate is higher than the benchmark of 50% for the pencil and questionnaire type of survey (Baruch & Holtom, 2008).

Sample characteristics, as shown in Table 1, indicate that the sample reasonably represents all the three generational cohorts. The proportion of those who are employed and unemployed is almost equal. The proportion of married respondents is in line with the proportion of generational cohorts.

Table 1: Sample characteristics (n = 954)

Characteristic	Number	Percentage
Generational Cohorts		
Baby Boomers	268	28.1%
Gen Xers	314	32.9%
Millennials	372	39.0%
Employment		
Unemployed	483	50.6%
Employed	471	49.4%
Marital Status		
Single	356	37.3%
Married	598	62.7%
Education Level		
Secondary	103	10.8%
Undergraduate	463	48.5%
Postgraduate	388	40.7%

Measures

The main variables of interest are the three generational cohorts and purchase intention of various categories of IFPs. Meriac, Woehr, & Bannister, (2010) suggests to define generational cohorts as baby boomers born between 1946 – 1964, Gen X born between 1965 – 1980 and GenY born between 1981 – 1999. On the other hand, generation cohorts are defined by historical events and coming of age tears (Mitchell, 2003; Schewe & Meredith, 2004; Sheahan, 2005). In line with the coming of age school of thought, Sharma et al. (2016) measured generation cohorts for Bangladesh as traditional cohort – born between the years 1929 to 1953 who were mature around the independence year of 1971; swing cohort – born between 1954 - 1972 who were mature around the post-independence and economic recovery period; and GenY – born between 1973 and 1993 who were mature around the democratic governance stage. For this study, we measured generational cohorts combining the historical events and coming of age criteria as well as Meriac, Woehr, & Bannister, (2010) categorization of generational cohorts. Thus our categorization includes Baby Boomers (born 1946 – 1964, Gen X (born 1965 – 1976), and Gen Y or Millennials (born 1977 – 1995).

We measure purchase intention (PI) as the likelihood to perform a buying behavior (Amin et al., 2011; Sharma et al., 2017). We asked respondents to rank their intension to buy the four IFPs, namely Islamic deposit products, insurance products, credit products, and capital market products on a 3-point scale where 1 = likely, 2 = very likely, and 3 = highly likely to purchase. Originally, it was a 7-point scale where 1= least likely, 4 = neutral, 7 = most likely. As there were very few responses for 1 to 4 scale points, so we merged 1 to 5 as likely to make it a 3-point scale. The reduction in categories is deemed important to have enough degrees of freedom to undertake the analysis (Field, 2009, p. 360).

Results

The data is analyzed by analyzing covariance (ANCOVA) (see Tables 2 and 3). It is clear from Table 2 that for Islamic deposit and insurance product categories, the average purchase intention reduced for succeeding generational cohorts. For example, the average purchase intention for Islamic deposit products for baby boomers, Gen X and Millennials, is 2.27, 2.01, and 1.69, respectively. A similar trend is observed for insurance products with 1.98, 1.78, and 1.62 as respective average purchase intentions for the three generational cohorts. The main effect of generational differences is significant for Islamic deposit products, $F(2, 948) = 14.85$, $p = 0.00$; and Islamic insurance products, $F(2, 948) = 7.35$, $p = 0.001$. These differences are not significant for Islamic credit products $F(2, 948) = .360$, $p = 0.70$; and Islamic capital market products $F(2, 948) = .208$, $p = 0.81$. We find highly significant differences in generational cohorts for the purchase intention of Islamic deposit and insurance products but did not find significant differences for Islamic credit and capital market products. Thus H1 is partially supported: support for two out of four product categories. The effect sizes for the significant differences are medium ($r = 0.17$) for deposit products and large ($r = 0.31$) for insurance products. The effect sizes of .05, 0.15, and 0.30 are considered small, medium, and large effect sizes (Cohen, 1988). Effect sizes indicate practical significance, i.e., the strength of the proposed relationships, differences in purchase intention across IFPs in this case.

Table 2: Generational differences in purchase intention of Islamic financial products (n = 954)

	Baby Boomers		Gen Xers		Millennials		<i>Univariate test statistics</i>
	Mean	S.D.	Mean	S.D.	Mean	S.D.	
Islamic Deposit Products	2.27	.67	2.01	.74	1.69	.77	F 51.20***, r = 0.31
Islamic Credit Products	1.88	.74	1.96	.73	1.90	.79	F 0.83, r = 0.04
Islamic Capital Market Products	1.71	.71	1.78	.78	1.81	.79	F 1.41, r = 0.05
Islamic Insurance Products	1.98	.72	1.78	.78	1.62	.80	F 16.38***, r = 0.17
<i>Multivariate test statistics</i>							
Pillai Trace	F 21.18***, r = 0.28						
Wilks' Lambda	F 22.11***, r = 0.30						
Hotelling's Test	F 23.04***, r = 0.30						
Roy's Largest Root	F 45.37***, r = .040						

Notes: Purchase intention 1 = Likely, 2 Very Likely, 3 Highly likely; *** <.001, r = Effect size calculated as the square root of partial eta squared (Field, 2009, p 389)

To examine which groups differ, a posthoc analysis was undertaken (Table 3). We used Tukey's HSD and Games-Howell to gauge the significance of pairwise differences. Tukey's HSD is used when group variances are equal and Games-Howell when these may not be similar (Field, 2009, p. 375). As both the tests are producing similar results, our differences in pairwise comparisons can be considered robust. Pairwise comparisons support H2a and H2b. H2a argued that baby Boomers have higher purchase intentions than Gen X and Millennials, and GenX has higher than Millennials. H2b argues similarly to Islamic insurance products. Results in table 3 show significant hypothesized differences. We did not find support for H3a and H3b arguing for purchase intention of Islamic credit and capital market products where Millennials have higher purchase intention than Gen x and baby Boomers, and GenX has higher than Baby Boomers. A non-significant trend was hypothesized for capital market products is evident though.

Table 3: Pairwise comparisons of mean differences (n = 954)

		Islamic Deposit Products	Islamic Credit Products	Islamic Capital Market Products	Islamic Insurance Products
Baby Boomers – Gen Xers	Mean Diff.	0.26* (0.06)	-0.07 (0.06)	-0.07 (0.06)	0.20* (0.06)
	CIIs	0.14 – 0.38	-0.20 – 0.05	-0.20 – 0.05	0.07 – 0.32
	Tukey HSD	0.000	0.468	0.505	0.006
	Games-Howell	0.000	0.446	0.484	0.005
Baby Boomers – Millennials	Mean Diff.	0.59* (0.06)	-0.10 (0.06)	-0.10 (0.06)	0.35* (0.06)
	CIIs	0.47 – 0.70	-0.13 – 0.11	-0.22 – 0.02	0.23 – 0.48
	Tukey HSD	0.000	0.973	0.219	0.000
	Games-Howell	0.000	0.975	0.202	0.000
Gen Xers – Millennials	Mean Diff.	0.32*	0.06 (0.06)	- 0.03 (0.06)	0.16* (0.06)
	CIIs	0.21 – 0.43	-0.05 – 0.18	-0.05 – 0.18	0.04 – 0.27
	Tukey HSD	0.000	0.549	0.856	0.002
	Games-Howell	0.000	0.550	0.863	0.027

Notes: *** <0.001*, **<0.01, *<.05, figures in parentheses are standard errors, CIIs are 95% confidence intervals

Among control variables, we find employment having a significant impact on purchase intention of for capital market, $F(1, 948) = 4.492, p = 0.034$; and insurance products $F(1, 948) = 11.096, p = 0.001$. We also find education having a significant differentiation effect for purchase intention of insurance products, $F(1, 948) = 7.936, p = 0.005$.

Discussion

We aimed at examining differences among three generational cohorts in their purchase intention of various categories of IFPs in the context of Muslims in Bangladesh. The main findings suggest that significant differences in purchase intention of Islamic deposit and insurance products exist where each succeeding generation has less purchase intention than the previous generation. As hypothesized, we also find each succeeding generation having a higher purchase intention of capital market products, but this finding was non-significant. For credit products, Gen Xer's showed the highest purchase intention, followed by Millennials and baby boomers – this finding was also non-significant. The findings can be explained with the help of religiosity – purchase intention literature and generation cohorts theory.

Significant evidence exists that Muslims' religiosity impacts their personal and consumption decisions with the idea that their extent of perceived religiosity influences their behavior (Al-Hyari, Alnsour, Al-Weshah, & Haffar, 2012; Ismail, Vivishna, Khurram, & Jafri, 2012). The impact of their religiosity on their purchase intention of banking products also exists (Sharma et al., 2016). As older generations tend to be more religious than younger ones, thus they are likely to prefer more to religious banking products. Moreover, the older generation cohorts in this study saw hard economic times and thus more preference to deposit and insurance products. It is interesting to note that though insurance, in general, is not a halal product, still older generations have shown higher purchase intention for insurance products too. Their experience of facing hard financial times is likely to have played a more significant role in line with the scarcity hypothesis, which argues for valuing those resources more, which people find scarce during their early adulthood (Inglehart, 1977; Inglehart, 1997).

Baby Boomers who came of age during economic hardship tend to assign more importance to savings, safety, and security value (Schewe & Meredith, 2004). Life experiences have also taught this cohort that life is not supposed to be fun, and conformity is good (Taylor, 2010). The members of this cohort were at a mature age before or around the independence of Bangladesh in 1971 and suffered economic hardship. Almost two-thirds of the population were living below the poverty line. People were deprived of primary health care, education, shelter, and other needs and were insecure about their lives in general (Khan, 2010).

The GenX cohort members swing between the younger Baby Boomers and the older Millennials in sharing some characteristics with each group (Mitchell, 2003). Economic ups and downs resulted in the members of this cohort being more frugal and adaptive than those in other cohorts (DeVaney & Chiremba, 2005), and they also varied in terms of assigning importance to different values. The GenX cohort tends to emphasize the value of safety and security, pleasure and enjoyment of life, increased social status, and prestige (Inglehart, 1997). The members of this cohort were maturing when Bangladesh's economy was slowly gaining some momentum during the middle of the post-war phase. Nevertheless, at the beginning of the post-war and clientelistic governance phase, and due to being in a newly independent country, the GenX cohort experienced a high level of unemployment and poverty. People were striving for their basic needs and work and were beginning to find their ways of living (Khan, 2010), which characterized them as entrepreneurial as they were interested in taking risks in return for favorable earnings.

Members of the Millennium cohort have been described as having grown up with modern technology, especially computers. They enjoy more educational and personal development prospects. They are familiar with Western popular culture through their experiences with foreign music, movies, television shows, magazines, the internet, and other media programs (Kaynak et al., 2000). They are mostly interested in self-indulgence and personal entertainment. Socio-economic development and democratization are positively related to the importance of openness to change and self-enhancement values (Schwartz & Sagie, 2000; Schwartz & Ros, 1995). As Millennium is enjoying an increase in security and prosperity during their coming-of-age years, these changes imply that this younger group will give higher priority to personal pleasure and sensuous gratification, excitement, and challenges in life, and the achievement of personal success (Inglehart, 1997; Schwartz, 2005). In the case of Bangladesh, the people of this generation came of age during a development phase that shows an acceleration in economic growth, a decline in the volatility of growth, and a reduction in poverty in its multiple dimensions (Khan, 2010).

Our findings suggest several managerial implications. First, the use of generations as the lens to investigate purchase intention towards Islamic financial products among the Bangladeshi provides an innovative alternative to understanding each generation's expectations. Through understanding each generation, Islamic financial products marketers can precisely pinpoint the generation they wish to target and use the appropriate message to reach them. Second, the Baby Boomers' experience with economic hardship has taught them to be more conservative in handling their investment. As they look for financial products with security and stability, Islamic financial marketers are advised to develop messages that can reassure this generation that their hard-earned investments will remain securely with the financial institution. Besides, most of the Baby Boomers are grandparents themselves. As such, messages like 'secured for the next generation' or 'saving it for the grandchildren' should be well received. Third, for GenX, this generation of consumers has experienced the boom and bust of the economic cycle, and the desire to run their own business. Hence, it is recommended that the Islamic financial

products marketers produced advertising messages that are supportive of their business venture. With a supportive message, this generation will feel reassured of their business activities and the entrepreneurial risk that they are undertaking. Fourth, the Millennium generation was born during the internet era and most educated. For this generation, marketers are advised to develop financial products that involved some degree of risk where these investors can accept, and at the same time, give them sensuous gratification. The Islamic financial institutions should also provide services where this generation can use their internet knowledge to check on their investments and pay their utility bills. The advertising messages recommended for this generation include 'freedom to pursue other activities and let the financial institution to handle their investment' or 'enjoy more time with their family with internet banking.'

However, our findings need to be interpreted with caution. First, the findings and discussions are based on the data from a single country. Notwithstanding the wide adoption of Islamic financial products among Muslims in different countries, the generalizability of findings is limited to the Bangladeshi context. Comparative studies across countries would be necessary to gain more insights into the purchase intention of the said products. Second, despite the prevalent use of behavioral intention as the outcome variable in past studies and thus the present one, the inclusion of actual purchase behavior using a longitudinal design would likely shed more light on the potential effect of intervening and moderating variables in the purchasing process. Third, even though the findings imply generational transmission between cohorts, it does not look into how and why specific values of the older generations are adopted or discarded by, the younger generations. Nevertheless, the study highlights the importance of the present study as a precursor to future attempts to investigate the relationship between generations and behavioral factors on Islamic financial products in greater detail.

Managerial Implications

The profound effect of generation on cohorts of individuals and their behavior is essential to understanding consumer behavior. Research scholars and practitioners alike, such information not only helps them to explain the homogeneous characteristics of the same cohorts as well as the different attributes across the cohorts, but it also provides them a basis to predict the cohorts' future behavior. Islamic financial products marketers should be aware of the requirements of each generation and then tailor the advertisement according to its requirements. By doing so, there is congruity in addressing the requirement of each generation, which could lead to an improvement in the demand of the IFPs offered by the financial institution.

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